



**Virginia Social
Services System
Strategic Planning
Handbook**

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1. Introduction

The object of this document is to give the reader an understanding of strategic planning. Strategic Planning is one subcomponent of an overarching and enterprise-wide discipline consisting of three main components: Planning, Accountability and Alignment.

The planning component involves all types of planning within the organization including, but not limited to, strategic planning, business unit planning, support unit planning and human capital management planning. The organization's strategic plan must be the basis for all planning activities within the organization. The activities and disciplines associated with the main components of Planning, Accountability and Alignment, when executed well, will yield tremendous benefits for an organization however, it should be understood that to realize these benefits there will need to be a commitment of time, resources and effort.

It is important to understand that when the Virginia Social Services System refers to a strategic plan, it is referring to a plan for the entire state-wide social service system, a system that includes the Virginia Department of Social Services, local departments of social services, the community action agencies and all other partners and stakeholders.

2. What is Strategic Planning

Strategic planning is the ongoing process that guides, monitors and improves the organization. It is a parameter-setting device that leads the organization through self-examination. A strategic plan asks three basic questions: where are we; what do we want to become; and, what will we need to do to get there. The strategic planning process must be approached with an open mind. It is most effective when participants respect the organization's roots and history, but remain open to all possibilities for future improvements. Strategic planning examines all components of the organization and identifies key issues, goals and objectives for those components based on mission, vision and best available data. The process helps to manage the organization by utilizing outcome data. The use of reliable data is critical to support the ongoing management of the organization. When an organization is able to identify required outcomes, gather appropriate measurement data and utilize that data it will have created an information-based decision-making environment. The strategic planning process should never be viewed as punitive.

3. The Process

The process of strategic planning can be illustrated at a high level as a three step iterative process. Step 1 consists of the development of the plan including performance measures. Step 2 would be to establish the processes whereby the plan will be monitored, strategies implemented, data gathered and meaningful reports produced. Step 3 would be the process to analyze the data, identify lessons learned and make recommendations for any required changes. As previously discussed, this process is iterative, ongoing, and continuous (see figure 1). It is this process that will make the difference between strategic planning being merely an activity that produces a document, or the tool the organization uses to set direction, measure performance and monitor improvement.

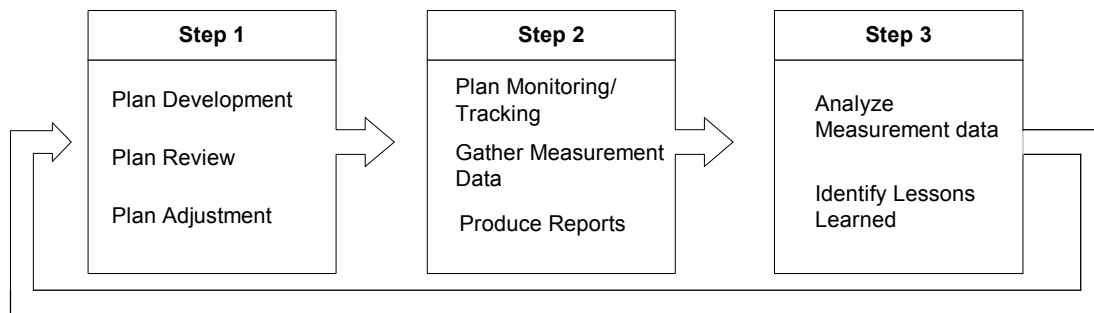


Figure 1

4. The Strategic Plan

The strategic plan itself should be a living document. The best plans are flexible and revisited on a regular timetable. The plan should be revised as the landscape and the organization change. The plan is both a road map for moving the organization forward and a tool for assessing its progress. The plan creates and communicates a common vision. Organizational leadership, employees, stakeholders and partners gain a common understanding of where the organization is going and what will be required to get there. The strategic plan is made up of a number of components including: mission statement, vision statement, organizational values, goals, objectives, performance measures and strategies. Definitions for all of these components can be found in the Virginia Social Services System document entitled “Planning Glossary”. The relationships between each of these components can be seen in figure 2 below and are discussed in section 5 “Strategic Plan Components”.

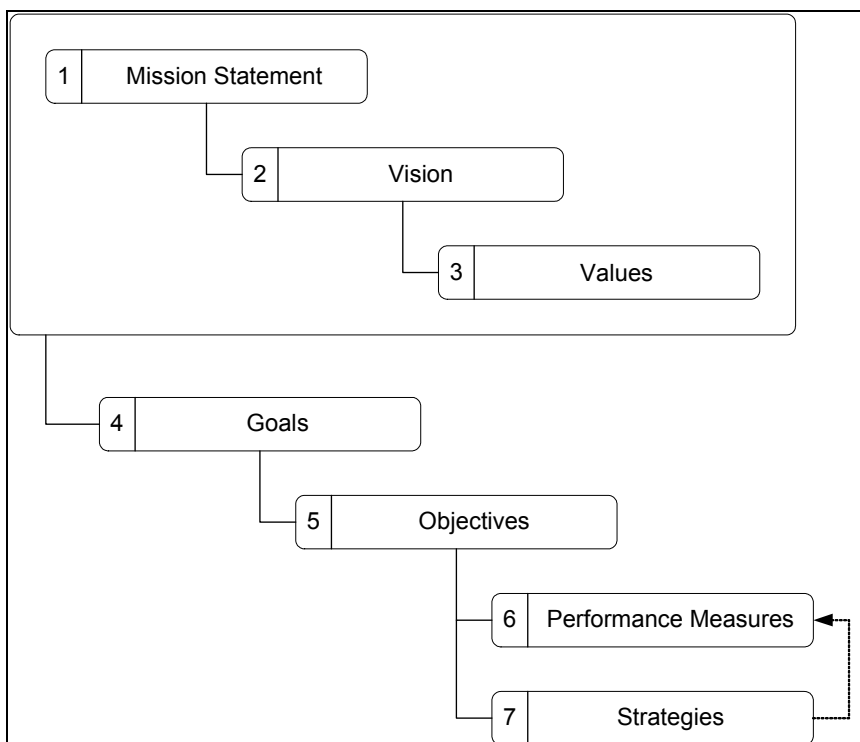


Figure 2

5. Strategic Plan Components

Each component of the strategic plan serves a specific purpose and relates to other components within the plan structure. This section provides a brief overview of each of the components and its relationship to other components. The numbered headings in this section relate directly to the number scheme in figure 2.

- 1. Mission Statement:** The mission statement is a statement of purpose, the fundamental reason for an organization's existence. This statement defines who the organization is and will combine with the vision and organizational values to give high-level direction.
- 2. Vision:** The vision statement is a shared understanding to move the organization toward a greater purpose. It is what the organization wants to become. This statement will combine with the mission and organizational values to give high-level direction.
- 3. Values:** The values statement reflects the principles that govern behavior and the way in which the organization and its members conduct business. This statement will combine with the mission and vision to give high-level direction.
- 4. Goals:** A goal statement is a broad general statement of the long-term results needed to achieve mission, vision and values. A goal statement will be further defined and supported by multiple objectives. There are normally multiple goals in a plan.
- 5. Objectives:** An objective is a description of the results, or outcome that when achieved, moves the organization towards its stated goals. There will normally be one or multiple objectives linked to a goal.
- 6. Performance Measure:** A performance measure is a particular quantitative indicator designated to measure the organization's progress towards achieving its goals and objectives. This is the data used by management for information-based decision-making. For each objective there can be one or multiple performance measures.
- 7. Strategies:** Strategies are action items that support results needed to accomplish goals and objectives. They are executed in a tactical manner and will impact performance measures. Strategies will be added, taken away or altered based upon performance measurement data. There will normally be one or multiple strategies for each objective. Strategies can sometimes have the effect of impacting multiple performance measures linked to different objectives.

6. Planning Construction Tools

There are a number of tools that can be used in the construction of a plan. These tools will give the organization the opportunity to analyze itself from a number of different aspects and to take a close look at external factors that can influence it. The tools are the identification of products and services, the identification of customers, and an internal and external environmental scan (SWOT analysis). See figure 3.

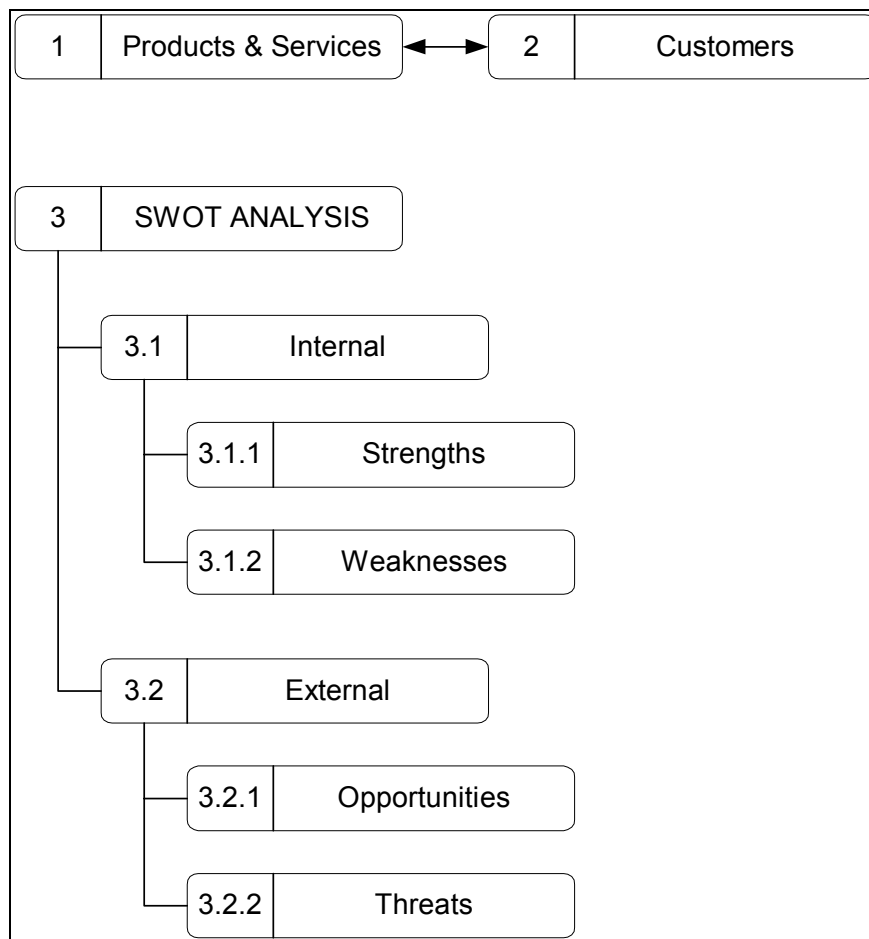


Figure 3

The following is an explanation of each of the tools and how they relate to each other:

- 1. Products & Services:** This is a comprehensive list of all the products and services that are the deliverables a customer may receive. When customers have been defined the organization should develop a matrices of products and services delivered to customers.
- 2. Customers:** This is a comprehensive list of all customers that may receive the previously identified products and services. If the number of customer types becomes large an organization may develop customer groupings to produce a more manageable list.

- 3. SWOT Analysis:** The tool for conducting an environmental scan is the SWOT Analysis. This is a four-part assessment designed to develop a clear sense of the Strengths, Weaknesses, Opportunities and Threats facing the organization. Strengths and Weaknesses are categorized as internal while Opportunities and Threats are categorized as external.
- 3.1.1 Strengths:** A list of internal resources or capabilities. Things the organization is good at.
- 3.1.2 Weaknesses:** A list of internal deficiencies in resources or capabilities. Things the organization can improve at.
- 3.2.1 Opportunities:** A list of external factors or situations that can favorably impact the organization.
- 3.2.2 Threats:** A list of external factors or situations that can negatively impact the organization.

7. Developing the Plan

There are several steps to developing a strategic plan. These steps will take time and commitment to achieve. The process can be difficult, thought provoking and at times very frustrating. This section will outline the steps required to develop a plan.

- Step 1:** The first step in the development of a strategic plan is to develop a list of the organization's products and services.
- Step 2:** The next step is to identify the organization's customers and build a matrix between the customers/customer groups and products and services. If you feel the number of customers is unmanageable, try to reduce the list by combining customers into categories and then build the matrix.
- Step 3:** Next conduct an environmental scan, using the SWOT analysis tool. This will produce the lists of strengths, weaknesses, opportunities and threats.
- Step 4:** Utilizing the information sets from steps 1 through 3 construction of the plan can now begin. First develop a mission statement to identify the fundamental reason for the organization's existence.
- Step 5:** Develop a vision statement that looks to the future. This is what the organization wants to become.
- Step 6:** Develop a list of values for the organization and its members. These are the behaviors the organization is looking for in itself and its members.

- Step 7:** Driven by all the information sets previously identified, goal statements can now be developed. These are broad general statements of the long-term results needed to achieve the mission, vision and values of the organization.
- Step 8:** Objectives are now developed for each goal. These are a description of the results, (outcome) that when achieved, moves the organization towards its stated goals. There will normally be one or multiple objectives linked to a goal.
- Step 9:** Performance measures can now be developed for each objective. These are meaningful indicators designated to measure the organizations progress towards achieving its goals and objectives. They must be a numeric value that can truly be measured. For each objective there can be one or multiple performance measures.
- Step 10:** Strategies are the final component to be developed. These are the action items that support the results needed to accomplish goals and objectives. They are executed in a tactical manner and will impact performance measures. There would normally be at least one strategy for each objective.
- Note :** Caution should be exercised when identify multiple goals, objectives, performance measures and strategies as these will need to be kept to a manageable number.

8. Monitoring, Tracking and Reporting

A measurement tracking and monitoring process should be established. This process will require the identification of individuals within the organization who will be responsible for championing strategic activities across the enterprise. These individuals will ensure data is gathered in a timely manner from the appropriate sources to measure progress. They will ensure the timely creation and distribution of reports pertaining to measurement data. They will be the champions in ensuring progress made by the organization is communicated to all appropriate audiences. The process of monitoring and tracking, gathering measurement data and producing reports should be a frequent and ongoing process.

9. Data Analysis & Lessons Learned

As measurement data becomes available it will give the organization the opportunity to analyze the data and to compare it against performance measurements established earlier in the strategic planning process. The organization is now in the position where this data can be used by management for information-based decision-making. Having analyzed the data and identified lessons learned, this information can be used as input, in the form of recommendations, when reviewing or adjusting the strategic plan for the next cycle. The process of analyzing measurement data, identifying lessons learned and providing input, in the form of recommendations, is an ongoing, iterative process.

Document Information

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